Local Government Mandate Statement Kentucky Legislative Research Commission 2018 Regular Session

REVISED 1/24/2018

Part I: Measure Information

Bill Request #: 403
Bill #: HB 186
Document ID #: 1857
Bill Subject/Title: An ACT relating to taxing districts.
Sponsor: Rep. Jason Nemes
Unit of Government: x City x County x Urban-County Unified Local x Charter County x Consolidated Local x Government
Office(s) Impacted: County clerks; local legislative bodies and governing boards; county judge executives
Requirement: x Mandatory Optional
Effect on Powers & Duties:x _ Modifies Existingx _ Adds New Eliminates Existing

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

HB 186 provides that board members of identified taxing districts, commissions, and special districts that are presently appointed, now be non-partisan elective positions. The bill identifies the responsibilities of legislative bodies for certifying the representation on the various governing bodies. The Act identifies the responsibilities of county clerks for certifying board membership nominations and elections.

HB 186 defines "entity" and "governing body" and provides that members of certain governing bodies be subject to election at regular elections. It establishes procedures for jurisdictions to certify the number of delegates for each board and for dispute resolution and sets forth criteria for nominating petitions for candidates. It establishes a default four-year term unless otherwise provided in statute and provides that the Governor appoint members when no candidate is nominated for, or elected to an open seat.

The Act sets forth a process to remove members for cause and provides that vacancies be filled in accordance with the Kentucky Constitution and provides that members of governing bodies, like other county officers, may be indicted for malfeasance or neglect and, if convicted, the office vacated.

More specifically, HB 186 amends KRS 118.305 and 118.315 to include petitions of nomination and election of candidates on regular election ballots and provides that appointments made prior to January 1, 2020 expire on or before December 31, 2020. The Act allows trustees of volunteer fire districts and departments who are normally subject to election in June 2020 to have their terms of office of office extended to December 31, 2020. HB 186 provides that elections be held every two or four years beginning in November 2020. Previously appointed members may seek election to a governing body and candidates elected in November 2020 will assume office on January 1 2001.

The fiscal impact of HB 186 is indeterminate and will range from minimal to significant.

Presently there are 22 identified types of special districts with taxing authority. County clerk offices will now be responsible for managing and certifying the nominations and elections of multiple board members, which under current statutes, are appointed. Time and effort requirements and election costs will be dependent on the number of boards/districts falling within a particular county's jurisdiction and the number of persons seeking election who are residents of a particular county/district jurisdiction.

Jefferson Metro characterizes the fiscal impact as "highly significant". According to Jefferson, introducing a half dozen new countywide board races and nearly two dozen fire district races would result in much more expensive ballot printing costs. Jefferson County uses a printed ballot system that is tabulated at each precinct. In 2016, the total ballot printing costs were \$287,000, primary and general combined. According to Jefferson County, in most even number years, HB 186 would require printing two ballots, not one, in order to cover all the offices, perhaps doubling these costs in an election year. Also, according to Jefferson, there will be increased newspaper notices and costs. Jefferson's current costs are approximately \$240,000 for the primary and general together in an even year. Jefferson estimates this will increase by 1/3, to an additional \$80,000 for an even number year. Finally, Jefferson notes that fire district lines will 'split' over 100 precincts, necessitating giving voters in one precinct one of 2 ballots, greatly increasing chances for errors.

For all counties, there will be similar additional direct, and time and effort costs associated with ensuring that each candidate's name appears correctly only on precinct ballots corresponding the candidates residence and to the jurisdiction of the special/taxing district board for which a candidate is seeking election.

The additional direct costs, and time and effort required by this Act will be moderated somewhat by the requirement that such elections be part of regular election ballots.

Part III: Differences to Local Government Mandate Statement from Prior Versions

The Part II section above pertains to the bill as introduced and there are not any prior introduced versions of the bill to complete the Part III section.

Data Source(s): <u>Kentucky Department for Local Government; Kentucky Association of</u>

Counties; Jefferson County Board of Elections; Franklin County Clerk;

Kentucky County Clerks Association; Kentucky League of Cities

 Preparer:
 H. Marks
 Reviewer:
 KHC
 Date:
 1/24/18